Foreword

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The national and regional economies that make up the world economy are incorporated into its dynamism on the basis of international interdependence, and their mutual close ties have been growing stronger. The international statistical records that help us understand the changes in the dynamism of the world economy include the international trade statistics created by the United Nations and the OECD, as well as the international industrial statistics created by the UN and the OECD. Since the classifications and categories used in these statistics are revised in response to changes in trade and industrial structures, the need arises to consider the fact that complicated correspondences exist even among identical systems of classifications as well as among different classifications when one is using these records. Institute of Developing Economies (IDE) treats these correspondences among trade and industrial classifications as the correlation between the industrial classification of the Asian International Input-Output Table and the Standard Industrial Trade Classification (SITC) for trade statistics. We have created time series trade matrices by industry based on the UN trade statistics and the OECD trade statistics, using the correlation.

In order to analyze the industrial structures of the East and Southeast Asian nations, Japan, and the United States, IDE has created the Asian International Input-Output Table. In creating this table, we have used detailed industrial and trade statistics for each country and region and have made correspondences and connections among them, but since the classifications of the production statistics for each country do not necessarily conform to the International Standard Industrial Classification (ISIC), we were sometimes unable to adjust them for the purposes of international comparison. For that reason, we adopted the method of making Asian International Input-Output Tables, which provide classifications of the common sectors, correspond directly to the trade classification of each country. Our criterion for setting up 24 sectors was the concept of establishing the most important sectors in the trade and industrial statistics of the East and Southeast Asian countries, and based on these sectors and categories, we were able to obtain a clear picture of the international industrial structure. Note, however, that since the 24 sectors of the Asian International Input-Output Table include four service sectors, only 20 of the sectors correspond to commercial trading. In this book, we refer to the 24 sectors of the Asian International Input-Output Table as the IO24.

The IO24 is correlated with each revised versions of the SITC, and this makes it possible to compile trade matrices by time-series and in terms of industrial categories. The trade matrices based on the IO24 have been published as Statistical Data Series(SDS) No. 50 *International Trade Matrix for Asia and Pacific Region, by Industry: 1965-1983* and the follow-up volumes, SDS No. 68 *International Trade Matrix for Asia Pacific Region by Industrial Group, 1975-1992: Vol. 1:Exports; Vol. 2:Imports, Vol. 3:Analytical Tables.*

When using trade statistics by time-series, problems occur with continuous use of amounts and

volumes transacted when the classification of products undergoes changes around the time that the SITC are revised. The United Nations creates correspondence code tables that allow continuous correlation around the time that SITC are revised. Using these correspondence code tables, Institute of Developing Economies was able to use the trade matrices over time as well as to make use of this experience to attempt modeling of the correlations between the various revised versions of the SITC.

In "Cross Reference between Trade Commodity Classification and International Input-Output Table Classification (20 Sectors)," which is the second chapter of SDS No. 80, *Cross Reference between Standard International Trade Classification and Industrial Classification*, we set up correspondences between the models of the revised versions of the SITC and the IO24. We then evaluated and adjusted the correlations between the revised versions of the SITC that had already been used and the IO24 again, and attempted to create correlations between the coordinated SITC and the IO-20. The adjusted correlations between the revised versions of the SITC and the IO-20 are found in Table 2 of this book, "Connected Cross Reference Model GRT123[IDE(2)] with IO-20 Sector Classification."

World Trade Matrix: By Asian International Input-Output Table 24 Sectors (IDE Statistical Data Series, No. 84). contains a world trade matrix based on time series data created on the basis of the adjusted IO 20, which is adjusted in SDS No.80, and as such, it is a continuation of SDS No. 50 and No. 68.

This book is the revised edition of *World Trade Matrix: By Asian International Input-Output Table 24 Sectors* (IDE Statistical Data Series, No. 84). The major revisions undertaken in this edition are: (1) reporting years have been extended to 2001 for all Asian reporting countries and the US; (2) the evaluation of the consistency of data has been reexamined and corrected; (3) the European Union (EU) and ASEAN 4 partner countries have been altered due to redefinition of boundaries; and (4) formulating organizations from which data are sourced have been clarified. The composition of the volume, including the chapter layout, has therefore changed to a certain extent.

It is composed of Part 1, which consists of three chapters, and Part 2, which consists of two tables NODA Yosuke, Research Coordinator of IDE, was responsible for Chapter 1 and Chapter 2 of Part 1 and Table 1 of Part 2, and KUROKO Masato of the Development Studies Department of IDE was responsible for Chapter 2 of Part 1 and Table 2 of Part 2. Particularly,the authors wish to take this opportunity to acknowledge the tremendous assistance provided by Ms. HIRAI Reiko in compiling this book. We believe that our results will provide suggestions for thinking about correlations of trade structures and industrial structures in general.

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